

REMARKS

This Application has been carefully reviewed in light of the Final Office Action mailed February 3, 2006 ("Office Action"). At the time of the Office Action, Claims 1-39 were pending in the application. In the Office Action, the Examiner rejects Claims 1-39. Applicant respectfully requests reconsideration and favorable action in this case.

Section 103 Rejections

The Examiner rejects Claims 1-39 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,085,172 issued to Junger ("*Junger*") in view of U.S. Patent No. 6,536,659 issued to Hauser et al. ("*Hauser*"). Applicant has thoroughly reviewed the Examiner's continued rejection of Applicant's claims and thanks the Examiner for careful consideration of this case. However, Applicant traverses these rejections for the reasons stated below.

Applicant's Claims are Allowable over the Cited References

First, Applicant continues to submit that the combination of references does not disclose, teach, or suggest each and every feature of Applicant's claims. In the previous Response to Office Action submitted on November 3, 2005, Applicant argued that the proposed *Junger-Hauser* combination does not disclose, teach, or suggest "validating the return by matching the return validation code with a pre-authorization code provided by the consumer to the local returns site, the pre-authorization code obtained by the consumer and indicating prior approval of the return by a remote direct merchandiser from whom the item was purchased," as recited in Applicant's Claim 1. In the Final Office Action, the Examiner continues to rely on *Junger* for disclosure of "validating the return by matching the return validation code with a pre-authorization code provided by the consumer to the local returns site" and on *Hauser* for disclosure of "the pre-authorization code obtained by the consumer and indicating prior approval of the return by a remote direct merchandiser from whom the item was purchased," as recited in Applicant's Claim 1. Because Applicant continues to believe that Applicant's arguments in the November 3, 2005 Response have merit, Applicant reiterates and expands those arguments now.

Specifically, *Junger* merely discloses a system and method for handling product returns by which a retailer regional warehouse obtains “advance return authorization . . . for a plurality of products at one time.” (Column 4, lines 30-33). As disclosed in *Junger*, the system “includes a return side portion 21 and a manufacturer side portion 23 which are operable to communicate over an internet connection 25.” (Column 4, lines 38-41). Specifically, when “returned products arrive at the regional warehouse 1, they are sorted by manufacturer and/or product.” (Column 3, lines 58-61). Then “the return side portion 21 may access the manufacturer side portion 23 to screen the products for compliance with return requirements and to obtain pre-authorization of the returns.” (Column 5, lines 5-9).

In particular, the return side portion 21 includes a bar code scanner “for scanning barcoded SKU and, possibly, serial numbers for returned products.” (Column 4, lines 55-56). The scanned SKU is then provided to manufacturer side computer 230 who “receives UPC and serial number information for return validation . . . [and] checks the electronic registration database to ensure that the identified product meets product return criteria.” (Column 6, lines 58-64). If the return criteria is met, “the product is pre-approved for return.” (Column 2, lines 49-50). Then, a return authorization number is created and the batch header is updated to indicate the approved status. (Column 8, lines 18-21).

Thus, the disclosed system and method of *Junger* merely allows for the obtainment of a single return authorization number for a batch of items. In the Final Office Action, the Examiner responds stating:

Junger discloses a customer reference number which is entered to identify the return authorization (col. 5, lines 8-9). Once the request is approved a return authorization number (RA number) is created (col. 8, lines 18-22). In Figure 4H, a return authorization status screen is shown. The screen shows a lists of the authorization status, customer reference number with a return authorization number.

Such customer reference number with a return authorization number is the step of validating the return by matching the return validation code with a pre-authorization code.

(Final Office Action, page 14).

First, Applicant notes that col. 5, lines 8-9 of *Junger* does not relate to a customer reference number; it relates only generally to the obtainment of pre-authorization for returns. In searching *Junger* for disclosure of the customer reference number, Applicant has identified the following passages:

- For a new batch, the manufacturer side computer 230 creates a batch header which includes information identifying the assigned batch number, **any customer reference numbers**, the return center address, the name and telephone number of a customer contact person, and the status of the batch (e.g., product entry state, pending approval, approved, declined, RA assigned, etc.). (Column 6, lines 13-19, emphasis added).
- Referring now to FIG. 4F, the return center operator is preferably prompted to enter the name and phone number of the person who should be contacted with information or questions concerning the return authorization request. If desired, **a customer reference number (e.g., a bill of lading number, file number, invoice number, etc.)** may be entered for an internal reference to identify the return authorization. (Column 7, lines 53-59, emphasis added).

Thus, as disclosed in *Junger*, the customer reference number merely includes a bill of lading, file number, invoice number, or other identifier that is used as an internal reference to identify the return authorization. There is no indication, however, that the customer reference number is either of a “return validation code” or a “pre-authorization code,” as recited in Applicant’s Claim 1.

Furthermore, to the limited extent that *Junger* discusses the customer reference number, the customer reference number disclosed in *Junger* is not used to “[validate] the return by matching the return validation code with a pre-authorization code provided by the consumer to the local returns site,” as recited in Applicant’s Claim 1. Specifically, there is no indication in *Junger* that a return is validated by matching the customer reference number with the RMA number or anything else. Applicant directs the Examiner’s attention to Figure 4H, which indicates that batch number 15 has been approved. The customer reference number associated with batch number 15 is “kb12444” and the RA Number is “915.” These two numbers can not be matched to validate the return, and yet Figure 14H indicates that batch number 15 has been approved. In fact, *Junger* does not disclose any operational use of the customer reference number at all. *Junger* merely discloses that the

customer reference number may be entered “if desired.” (Column 7, lines 53-59). Such language indicates that such a feature is optional and is not used to validate a return authorization. This is further bolstered by Figure 4H of *Junger*, which shows the customer reference included in only two of the four entries.

Even if the Examiner relies on *Hauser* for disclosure of the “pre-authorization code obtained by the consumer and indicating prior approval of the return by a remote direct merchandiser from whom the item was purchased,” *Hauser* does not cure the deficiencies of *Junger* discussed above. Rather, *Hauser* merely provides that

[C]ustomers are provided with a return authorization shipping label by the central return facility. This label includes a scannable bar code identifying the merchant and the customer. After the merchandise is received at the central returns facility, the scannable bar code is scanned so that the merchandise can be sorted by merchant, and the merchandise is then inspected to determine if the merchandise authorized for return has been received.

(Abstract). Thus, *Hauser* merely uses the return authorization shipping label to sort the merchandise by merchant. Accordingly, *Hauser* also cannot be said to disclose, teach, or suggest “validating the return by matching the return validation code with a pre-authorization code provided by the consumer to the local returns site . . . ,” as recited in Applicant’s Claim 1.

The Examiner also relies on the *Junger-Hauser* combination to reject independent Claims 11 and 21. Applicant respectfully submits, however, that the *Junger-Hauser* combination does not disclose, teach, or suggest each and every element of Applicant’s independent Claim 11. For example, Claim 11 recites “validating the return by matching the return validation code with a pre-authorization code provided by the consumer to the local returns site, the pre-authorization code obtained by the consumer and indicating prior approval of the return by a remote direct merchandiser from whom the item was purchased.” As another example, Claim 21 recites “a returns manager system that stores a return policy of the off-site retailer, the return policy comprising one or more return guidelines that must be met to validate a return of the returned item, a one of the one or more return guidelines

requiring that preauthorization of the returned item is obtained by the consumer before the returned item is received at the local returns site, the preauthorization indicating prior approval of the return by a remote direct merchandiser from whom the item was purchased.” Thus, for reasons similar to those discussed above with regard to Claim 1, Applicant respectfully submits that neither *Junger* nor *Hauser* disclose, teach, or suggest the combination of elements set forth in Applicant's independent Claims 11 and 21.

The Examiner also relies on the *Junger-Hauser* combination to reject independent Claim 29. Independent Claim 29, in the present Application, recites:

A system for managing a return of merchandise, comprising:
a retailer comprising a remote direct merchandiser from which one or more items may be purchased by a consumer;
a returns manager system communicatively coupled to the retailer over a public communications network, the returns manager system operable to:
 receive a first communication identifying at least an item of merchandise to be returned by the consumer in the future;
 identify the retailer as the remote direct merchandiser from which the at least one returned item was purchased by the consumer; and
 send a second communication to the retailer identifying the item of merchandise to be returned by the consumer to provide the retailer with advance notification of the return.

Thus, independent Claim 29 recites a returns manager system that is operable to both “receive a first communication identifying at least an item of merchandise to be returned by the consumer in the future” and “send a second communication to the retailer identifying the item of merchandise to be returned by the consumer to provide the retailer with advance notification of the return.”

In the Response to Office Action submitted on November 3, 2005, Applicant noted the Examiner's reliance on *Junger* for disclosure of a portion of the recited claim element and on *Hauser* for disclosure of the other portion of the recited claim element. Specifically, Applicant noted the Examiner's reliance on *Junger* for disclosure of receiving a first communication identifying at least an item of merchandise but relies on *Hauser* for disclosure of the item of merchandise being one to be returned by the consumer in the future.

Applicant also noted the Examiner's reliance on *Junger* for disclosure of sending a second communication to the retailer identifying the item of merchandise but relies on *Hauser* for disclosure of providing the retailer with advance notification of the return. In the Final Office Action, the Examiner states that "one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references." (Final Office Action, page 15). Applicant continues to submit, however, that the Examiner's piecing together of references in the manner provided fails to consider the patentability of the particular combination of features and operations recited in Applicant's claim.

Applicant also continues to submit that *Hauser* does not disclose, teach, or suggest "identifying the item of merchandise to be returned by the consumer to provide the retailer with advance notification of the return," as recited in Claim 29. As demonstrated in the Response to Office Action mailed November 3, 2005, the cited portions of *Hauser* disclose that "[a]fter the merchandise is received at the central returns facility, the scannable bar code is scanned so that the merchandise can be sorted by merchant, and the merchandise is then inspected to determine if the merchandise authorized for return has been received." (Abstract). Only then is "the appropriate merchant . . . advised" of the return. (Abstract). By disclosing that the merchant is not advised of the return until it is received at the central returns facility, the cited portions of *Hauser* teach away from "identifying the item of merchandise to be returned by the consumer to provide the retailer with advance notification of the return," as recited in Claim 29.

In the Final Office Action, the Examiner points to Column 7, line 67 through Column 8, line 5 of *Hauser* as teaching "a merchant electing to pre-authorize customers to return any purchased merchandise with which the customer are dissatisfied, without the need to obtain further authorization of the return." (Final Office Action, page 16). The Examiner further states that "[s]uch a merchant electing to pre-authorize customers to return any purchased merchandise are considered the identifying the item of merchandise to be returned by the consumer to provide the retailer with advance notification of the return." (Final Office Action, page 16). The Examiner's comments indicate two things to Applicant. First and foremost, the Examiner's comments amount to an acknowledgement that *Hauser* does not disclose, teach, or suggest Applicant's step of "sending a second communication to the

retailer identifying the item of merchandise to be returned by the consumer to provide the retailer with advance notification of the return.” By the Examiner’s own admission, such steps are unnecessary in the system of *Hauser* since there is no “need to obtain further authorization of the return.”

The M.P.E.P. provides that “[a]ll words in a claim must be considered in judging the patentability of that claim against the prior art.” M.P.E.P. § 2143.03 (citing *In re Wilson*, 424 F.2d 1382, 165 U.S.P.Q. 494, 496 (C.C.P.A. 1970)). Claim 29 clearly recites a returns manager system that is operable to “identify the retailer . . . from which the at least one returned item was purchased” and “send a second communication to the retailer **identifying the item of merchandise to be returned by the consumer to provide the retailer with advance notification of the return.**” Because the cited portions of *Hauser* disclose that authorization is not required and that “the appropriate merchant . . . [is] advised” of the return only “after the merchandise is received” (Abstract; Column 7, line 63 through Column 8, line 5), Applicant respectfully submits that neither *Hauser* nor *Junger* nor their proposed combination, disclose, teach, or suggest each and every feature recited in Applicant’s Claim 29.

For at least these reasons, Applicant respectfully requests reconsideration and allowance of independent Claims 1, 11, 21, and 29.

Dependent Claims 2-10, 12-20, 22-28 and 30-39 depend upon independent Claims 1, 11, 21, and 29, respectively, which Applicant has shown above to be allowable. Accordingly, dependent Claims 2-10, 12-20, 22-28, and 30-39 are not obvious over the *Junger-Haseltine* combination at least because Claims 2-10, 12-20, 22-28, and 30-39 include the limitations of their respective independent claims.

Additionally, dependent Claims 2-10, 12-20, 22-28, 30-39 recite elements that further distinguish the art. As an example, Claims 5 and 15 recite “receiving a third communication at the returns manager system, the third communication comprising a request for general returns information **from the consumer**” and “providing a fourth communication from the returns manager system **to the consumer**, the fourth communication comprising data

representing general returns information.” As further examples, Claims 6 and 16 further recite that “the third and fourth communications are communicated using a website.” With respect to Claims 5, 6, 15, and 16, the Examiner continues to rely upon *Junger* for disclosure of the recited features and operations. Applicant continues to believe, however, that Applicant’s arguments in the previous Response to Office Action mailed on May 24, 2005, continue to have merit and reiterates them now. Specifically, Applicant submits that *Junger* is intended to be implemented between two intermediary sources of a product. With respect to the customer, *Junger* only discloses that a return is accepted “[w]hen a customer returns a product with a receipt,” “the serial numbers match,” and “all other return conditions are met.” (Column 2, lines 14-18). This occurs, however, at the retail store prior to the shipment of the merchandise to the product return center location. (Column 2, lines 14-26). Thus, even where the Examiner asserts that the “product return center location” of *Junger* is analogous to Applicant’s “returns manager system,” the product return center location of *Junger* does not communicate with the consumer or vice versa. Neither is there any need for such communication between the product return center location and the consumer. The features and operations recited in Claims 5, 6, 15, and 16 are completely absent from the teachings of *Junger*.

For at least these reasons, Applicant respectfully requests reconsideration and allowance of Claims 1-39.

The Proposed Combination of *Junger* and *Hauser* is Improper

Second, assuming for purposes or argument that the proposed combination discloses the limitations of Applicant’s claims, which Applicant disputes above, it would not have been obvious to one skilled in the art to make the combination. The mere fact that references can be combined does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re Mills*, 916 F.2d 680 (Fed. Cir. 1990). The showing must be clear and particular. *See, e.g., C.R. Bard v. M3 Sys., Inc.*, 48 U.S.P.Q.2d 1225, 1232 (Fed. Cir. 1998). With regard to independent Claims 1, 11, 21 and 29, the Examiner speculates that “it would have been obvious . . . to modify the method of *Junger*, to include the pre-authorization code obtained by the consumer and indicating prior approval of the return by a remote direct merchandiser from whom the item was purchased, as taught by

Hauser, in order to provide a more efficient process of returning a merchandise.” (Office Action, page 8 citing (*Hauser*, column 2, lines 5-6)). Applicant respectfully submits, however, that the objectives of the respective systems of *Junger* and *Hauser* do not provide a suggestion to combine these two references in the manner suggested by the Examiner.

It is essential to view the invention as a whole, taking each element into account as well as the advantages, properties, utilities, and results of the invention. *In re Chupp*, 816 F.2d 643, 2 U.S.P.Q.2d 1437 (Fed. Cir. 1987). As discussed above, the very principle and purpose of the system disclosed in *Junger* is the provision of a return system between two intermediary sources of a product. Specifically, *Junger* provides a system and method for obtaining batch reimbursement from a manufacturer for a retailer who has previously credited customers for the return of like items. With respect to the customer, *Junger* only discloses that a return is accepted “[w]hen a customer returns a product with a receipt,” “the serial numbers match,” and “all other return conditions are met.” (Column 2, lines 14-18). However, *Junger* assumes that this transaction occurs prior to the receipt of the returned items for processing using the return system of *Junger*.

Conversely, Applicant has shown above that the system disclosed in *Hauser* provides customers of merchants “with a return authorization shipping label” that can then be used to return merchandise to a “central return facility.” (Abstract). According to *Hauser*, “a return label is provided to the customer for inclusion with the merchandise being returned.” (Column 2, lines 16-19). The customer then “ships the merchandise being returned to the return facility.” Thus, while the objective of *Junger* is to provide for the processing of retailer returns on a batch-basis in a retailer-manufacturer context, the objective of *Haseltine* is to provide for the processing of customer returns on an item-basis in a retailer-customer context. As a result, the solution proposed in *Junger* is drastically different from the solution proposed in *Hauser*, and one of ordinary skill in the art at the time of invention would not have been motivated to combine the disclosure of *Junger* with the disclosure of *Hauser*.

Furthermore, it is improper for an Examiner to use hindsight having read the Applicant’s disclosure to arrive at an obviousness rejection. *In re Fine*, 837 F.2d 1071, 1075, 5 U.S.P.Q.2d 1596, 1600 (Fed. Cir. 1988). It is improper to use the claimed invention as an

instruction manual or template to piece together the teachings of the prior art so that the claimed invention is rendered obvious. *In re Fritch*, 972 F.2d 1260, 23 U.S.P.Q.2d 1780 (Fed. Cir. 1992). The inconsistencies in *Junger* and *Hauser*, as identified by Applicant above, evidences the Examiners reconstruction of Applicant's claims by using hindsight to piece together disjointed portions of analogous, but inconsistent references.

For at least these reasons, Applicant respectfully submits that the proposed *Junger-Hauser* combination is improper. Accordingly, the rejection of Applicant's claims over the proposed *Junger-Hauser* combination should be withdrawn.

CONCLUSION


Applicant has made an earnest attempt to place this case in condition for immediate allowance. For the foregoing reasons and for other reasons clear and apparent, Applicant respectfully requests reconsideration and allowance of the pending claims.

Applicant does not believe any fees are due. However, the Commissioner is hereby authorized to charge any additional fees or credit any overpayment to Deposit Account No. 02-0384 of Baker Botts L.L.P.

If there are matters that can be discussed by telephone to advance prosecution of this application, Applicant invites the Examiner to contact its attorney at the number provided below.

Respectfully submitted,

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